

**NORTHERN REVENUE SHARING TRUST ACCOUNT**

**SUPPLEMENTARY INFORMATION**

**For the Year Ended December 31, 1999**

## NORTHERN MUNICIPAL SERVICES

Northern Municipal Services unit of Community Support Services Branch serves as administrator of northern settlements and recreational subdivisions and provides a link between the Minister of Municipal Affairs, Culture and Housing and locally elected advisory committees of northern settlements.

The unit fosters the growth and development of northern communities and helps them work toward autonomous municipal status. The unit also assists northern municipalities to carry out their legislative and administrative responsibilities and provides them with advice and guidance in conducting their financial affairs and activities.

The unit is organized into the following two sections:

### Municipal Advisory Services

This section of Northern Municipal Services:

- provides advice, guidance and training to northern officials and the public on northern municipal matters, including administrative procedures, municipal accounting, bylaw enactment and enforcement, property taxation, and assessment;
- ensures that northern municipal governments operate in compliance with provincial statutes and regulations;
- provides monitoring and assistance to communities needing extra help with financial management;
- acts, through the Minister, as the council for 11 northern communities designated as northern settlements, 14 recreational subdivisions, and the Northern Saskatchewan Administration District; and
- provides municipal advisory services to 24 autonomous northern municipal governments.

### Financial Services

- administers the Northern Revenue Sharing Trust Account and the department's northern municipal operating, capital, and water and sewer grants programs; and
- provides municipal administration and accounting services for northern settlements and recreational subdivisions.

### Financial Assistance

#### Northern Revenue Sharing Trust Account

Revenues collected on behalf of northern hamlets and school divisions are transferred to them for their administration.

Revenues not allocated during 1998 were used, in part, to fund the Northern Capital Grants Program, the Northern Municipal Water Assistance Grants Programs, and to supplement funding under the Northern Revenue Sharing Grants Program and the Canada Saskatchewan Infrastructure Works Program.

#### Northern Revenue Sharing Trust Account Summary of Taxes Levied and Collected

|                      | <u>1998</u>        | <u>1999</u>        |
|----------------------|--------------------|--------------------|
| <b>Taxes Levied:</b> |                    |                    |
| Municipal            | \$1,008,966        | \$ 953,134         |
| School               | 3,034,628          | 3,026,651          |
| <b>Total</b>         | <b>\$4,043,594</b> | <b>\$3,979,785</b> |

#### Taxes Collected:

|              |                    |                    |
|--------------|--------------------|--------------------|
| Municipal    | \$1,056,937        | \$ 929,779         |
| School       | 3,017,852          | 2,972,842          |
| <b>Total</b> | <b>\$4,074,789</b> | <b>\$3,902,621</b> |

#### Tax Collections (as % of Taxes Levied)

|  |        |       |
|--|--------|-------|
|  | 100.8% | 98.1% |
|--|--------|-------|

**Northern Revenue Sharing Trust Account  
Statement of Administrative Expenses for  
the Year Ended December 31, 1999**

|   |               |
|---|---------------|
| Printing and Office Supplies  | \$ 8,775      |
| Service Agreements  | 9,107         |
| Advertising   | 339           |
| Insurance   | 661           |
| Management Board Fees and Expenses  | 35,695        |
| Other Fees and Services   | 3,614         |
| Tax Discounts and Related Costs   | 42,452        |
| Capital Expenditures  | 19,056        |
| Saskatchewan Environment and Resource Management Administration Charges   | 430,000       |
| Saskatchewan Municipal Affairs, Culture and Housing Administration Charge | 200,000       |
| <br>Total   | <br>\$749,699 |

**Northern Revenue Sharing Grants Program**

- provides operational funding assistance to northern municipalities.

|                              | <u>1998</u>        | <u>1999</u>        |
|------------------------------|--------------------|--------------------|
| <b>Grant Payments:</b>       |                    |                    |
| Towns                        | \$ 551,084         | \$ 551,084         |
| Northern Villages            | 3,587,533          | 3,587,534          |
| Northern Hamlets             | 806,070            | 806,070            |
|                              | <u>\$4,944,687</u> | <u>\$4,944,688</u> |
| <b>Allocated to:</b>         |                    |                    |
| Northern Settlements         | 614,833            | 625,356            |
| Flin Flon Boundary Agreement | 29,799             | 32,813             |
| <br>Total                    | <br>\$5,589,319    | <br>\$5,602,857    |

**Northern Capital Grants Program**

- provides funding assistance to northern municipalities to assist them in the construction or upgrading of municipal facilities, and to acquire furniture, fixtures, and equipment.

|                                   | <u>1998</u> | <u>1999</u> |
|-----------------------------------|-------------|-------------|
| <b>Number of Projects Funded:</b> |             |             |
| Towns                             | 1           | 5           |
| Northern Villages                 | 26          | 36          |
| Northern Hamlets                  | 8           | 4           |
| Northern Settlements              | 14          | 28          |
| <br>Total                         | <br>49      | <br>73      |

**Grant Payments:**

|                      |                |                 |
|----------------------|----------------|-----------------|
| Towns                | \$ 19,701      | \$ 144,337      |
| Northern Villages    | 579,674        | 1,311,397       |
| Northern Hamlets     | 153,908        | 25,985          |
|                      | 753,283        | 1,481,719       |
| <b>Allocated to</b>  |                |                 |
| Northern Settlements | 141,342        | 99,498          |
| <br>Total            | <br>\$ 894,625 | <br>\$1,581,217 |

**Northern Water Assistance Grants Programs**

**Northern New Facilities Grants Program**

- northern municipalities lacking conventional water and sewer systems are eligible for funding under this program.
- approved projects receive 100 percent funding for the design and construction of new water and sewer facilities or for the replacement of existing water and sewer mains.

|                                   | <u>1998</u> | <u>1999</u> |
|-----------------------------------|-------------|-------------|
| <b>Number of Projects Funded:</b> |             |             |
| Northern Villages                 | -           | 2           |
| Northern Hamlets                  | 1           | 1           |
| Northern Settlements              | 1           | 1           |
| <br>Total                         | <br>2       | <br>4       |

|                             | <u>1998</u>       | <u>1999</u>       |
|-----------------------------|-------------------|-------------------|
| <b>Grant Payments:</b>      |                   |                   |
| Northern Villages           | \$ -              | \$ 960,315        |
| Northern Hamlets            | <u>547,010</u>    | <u>2,445</u>      |
|                             | <u>547,010</u>    | <u>962,760</u>    |
| <br><b>Allocated to</b>     |                   |                   |
| <b>Northern Settlements</b> | <b>23,517</b>     | <b>1,139</b>      |
| <b>Total</b>                | <b>\$ 570,527</b> | <b>\$ 963,899</b> |

**Northern Water and Sewer Upgrading Grants Program**

- northern municipalities that have water and sewer systems are eligible for funding under this program;
- approved projects receive funding of up to 79 percent of the total project cost for expansion or upgrading of existing water and sewer facilities.

|                                   | <u>1998</u> | <u>1999</u> |
|-----------------------------------|-------------|-------------|
| <b>Number of Projects Funded:</b> |             |             |
| Towns                             | 1           | 2           |
| Northern Villages                 | 19          | 21          |
| Northern Hamlets                  | -           | 3           |
| <b>Total</b>                      | <b>20</b>   | <b>26</b>   |

**Grant Payments:**

|                                |                    |                    |
|--------------------------------|--------------------|--------------------|
| Towns                          | \$ 1,130           | \$ 1,198,870       |
| Northern Villages              | 1,353,719          | 1,224,069          |
| Northern Hamlets               | -                  | 206,915            |
| Sask Water Corporation         | -                  | 27,456             |
| <b>Water &amp; Sewer Study</b> | <b>77,508</b>      | <b>243,459</b>     |
| <b>Total</b>                   | <b>\$1,432,357</b> | <b>\$2,900,769</b> |

**Canada/Saskatchewan Infrastructure Works Program**

**Per Capita Grant**

- provides additional grant assistance equal to one-third of the funding assistance approved under the infrastructure works program for construction or upgrading of municipal facilities in northern municipalities.

|                                      | <u>1998</u>       | <u>1999</u>       |
|--------------------------------------|-------------------|-------------------|
| <b>Number of Projects Funded:</b>    |                   |                   |
| Towns                                | 3                 | 2                 |
| Northern Villages                    | 14                | 7                 |
| Northern Hamlets                     | 7                 | 2                 |
| Northern Settlements                 | 14                | 2                 |
| <b>Total</b>                         | <b>38</b>         | <b>13</b>         |
| <br><b>Grant Payments:</b>           |                   |                   |
| Towns                                | \$ 85,217         | \$ 63,200         |
| Northern Villages                    | 321,051           | 73,217            |
| <b>Northern Hamlets</b>              | <b>49,325</b>     | <b>5,510</b>      |
|                                      | 455,593           | 141,927           |
| Allocated to<br>Northern Settlements | 30,741            | 15,969            |
| <b>Total</b>                         | <b>\$ 486,334</b> | <b>\$ 157,896</b> |

**Schedule of Payments**

Reported by payee are payments of grants, salaries and honorariums, and of other expenses of \$2,000.00 or more made during the year

**Grants**

|  |              |
|--|--------------|
| AIR RONGE, NORTHERN VILLAGE OF                     | 468,751.54   |
| BEAR CREEK, NORTHERN SETTLEMENT OF                 | 51,052.28    |
| BEAUVAL, NORTHERN VILLAGE OF                       | 437,428.59   |
| BLACK POINT, NORTHERN SETTLEMENT OF                | 76,592.09    |
| BRABANT LAKE, NORTHERN SETTLEMENT OF               | 93,083.31    |
| BUFFALO NARROWS, NORTHERN VILLAGE OF               | 847,438.15   |
| CAMSELL PORTAGE, NORTHERN SETTLEMENT OF            | 50,033.34    |
| COLE BAY, NORTHERN VILLAGE OF                      | 105,944.04   |
| CREIGHTON, TOWN OF                                 | 273,038.54   |
| CUMBERLAND HOUSE, NORTHERN VILLAGE OF              | 1,260,947.04 |
| DENARE BEACH, NORTHERN VILLAGE OF                  | 541,394.58   |
| DESCARME LAKE, NORTHERN SETTLEMENT OF              | 53,668.55    |
| DORE LAKE, NORTHERN HAMLET OF                      | 97,694.09    |
| GARSON LAKE, NORTHERN SETTLEMENT OF                | 48,890.63    |
| GREEN LAKE, NORTHERN VILLAGE OF                    | 462,613.15   |
| ILE A LA CROSSE, NORTHERN VILLAGE OF               | 782,871.17   |
| JANS BAY, NORTHERN VILLAGE OF                      | 111,671.73   |
| LA LOCHE, NORTHERN VILLAGE OF                      | 955,298.06   |
| LA RONGE, TOWN OF                                  | 1,686,452.77 |
| MICHEL VILLAGE, NORTHERN HAMLET OF                 | 103,863.41   |
| MISSINIPPI, NORTHERN HAMLET OF                     | 71,876.22    |
| PATUANAK, NORTHERN HAMLET OF                       | 105,594.45   |
| PELICAN NARROWS, NORTHERN VILLAGE OF               | 321,139.99   |
| PINEHOUSE, NORTHERN VILLAGE OF                     | 287,422.64   |
| SANDY BAY, NORTHERN VILLAGE OF                     | 586,610.18   |
| SASKATCHEWAN ASSOCIATION OF NORTHERN COMMUNITIES   | 175,000.00   |
| SLED LAKE, NORTHERN SETTLEMENT OF                  | 52,540.60    |
| SOUTHEND, NORTHERN SETTLEMENT OF                   | 43,092.50    |
| ST. GEORGE'S HILL, NORTHERN HAMLET OF              | 83,813.54    |
| STANLEY MISSION, NORTHERN SETTLEMENT OF            | 89,802.70    |
| STONY RAPIDS, NORTHERN HAMLET OF                   | 108,724.28   |
| TIMBER BAY, NORTHERN HAMLET OF                     | 95,205.56    |
| TURNOR LAKE, NORTHERN HAMLET OF                    | 106,134.80   |
| URANIUM CITY, NORTHERN SETTLEMENT OF               | 242,184.20   |
| WEYAKWIN, NORTHERN HAMLET OF                       | 283,019.37   |
| WOLLASTON LAKE, NORTHERN SETTLEMENT OF             | 102,022.13   |
| SASKATCHEWAN WATER CORPORATION (unallocated)       | 27,456.42    |
| NORTHERN WATER & SEWER STUDY                       | 243,458.70   |
| FLIN FLON, CITY OF (MAN./SASK. BOUNDARY AGREEMENT) | 32,813.06    |

11,566,638.40

**Salaries, benefits and honorariums**

|                       |           |
|-----------------------|-----------|
| AUGIER, DELBERT       | 19,314.70 |
| AUGIER, ROBERT        | 28,280.88 |
| BELANGER, MARGARET    | 15,533.11 |
| BURLAKA, STEVE J.     | 14,701.10 |
| GUETRE, EPHREM        | 6,051.66  |
| HERMAN, JASON J.      | 5,599.08  |
| HERMAN, KENNETH H.    | 2,112.77  |
| JANVIER, ALISTAIR J.  | 5,361.57  |
| JANVIER, JACKIE E.    | 2,760.41  |
| LAPRISE, CASEY J.     | 5,775.63  |
| LAPRISE, DORA B.      | 5,601.89  |
| MCKENZIE, CHARLES     | 4,428.21  |
| MCLEOD, HARRY D.      | 2,493.87  |
| MCLEOD, IRVINE T.     | 11,827.04 |
| MCLEOD, JOYCE T.      | 4,130.14  |
| MCLEOD, SILAS E.      | 2,493.87  |
| MERASTY, RODERICK C.  | 17,650.68 |
| MOISE, GEORGE S.      | 4,961.66  |
| PICHE, RICKY P.       | 3,078.93  |
| POWDER, ERNESTINE J.  | 6,635.59  |
| SYLVESTRE, ANTOINE H. | 6,095.85  |
| SYLVESTRE, CHARLOTTE  | 2,012.66  |
| TOULEJOUR, KEVIN J.   | 4,961.66  |
| TOULEJOUR, PERCY E.   | 6,104.74  |

Payments of salaries, benefits and honorariums of less than \$2,000.00

73,688.32261,656.02**Other payments**

|  |            |
|--|------------|
| A. FRAME CONTRACTING LTD.              | 45,537.24  |
| AIR-SASK AVIATION 1991                 | 6,403.85   |
| AL ANDERSON'S SOURCE FOR SPORT         | 2,051.84   |
| ATHABASCA STORE                        | 2,637.81   |
| ATHABASCA AIRWAYS LTD.                 | 3,945.91   |
| AUGIER, ROBERT                         | 6,036.04   |
| AUTO-ADMINISTRATOR INTERNATIONAL INC.  | 7,538.37   |
| BAERG HOLDINGS LTD.                    | 2,281.05   |
| BROWN, HENRY                           | 3,841.30   |
| CAMSELL PORTAGE SCHOOL                 | 3,452.23   |
| CAN AM OUTFITTERS LTD.                 | 3,909.67   |
| CANCOM                                 | 7,650.61   |
| CLEARWATER REGIONAL DEVELOPMENT CORP.  | 5,000.00   |
| EARTHVISIONS SYSTEMS LTD.              | 15,226.78  |
| ECONO LUMBER                           | 5,804.28   |
| FARM & GARDEN CENTRE OF SASKATOON LTD. | 2,744.26   |
| FEDERATED CO-OPERATIVES LTD.           | 318,185.59 |
| FONOS, JOHNATHON                       | 9,132.48   |
| HATCHET LAKE INDIAN BAND               | 8,495.80   |

|  |            |
|--|------------|
| HERMAN, DEAN                                     | 7,854.11   |
| HOLTORF, LYNN                                    | 3,202.50   |
| HUMBOLDT ELECTRIC LTD.                           | 2,125.02   |
| HUSKY OIL MARKETING COMPANY                      | 130,961.91 |
| ICG PROPANE INC.                                 | 3,516.73   |
| J & E SPORTING GOODS LTD.                        | 3,473.67   |
| JACKSON AIR SERVICE LTD.                         | 4,061.25   |
| KNUDSON CONCRETE LTD.                            | 4,108.80   |
| LA LOCHE AIRWAYS LTD.                            | 12,727.00  |
| LA LOCHE FUEL BAR INC.                           | 2,351.51   |
| LAKELAND FORD                                    | 20,021.64  |
| LAKESHORE SERVICE                                | 5,738.22   |
| LAZAR EQUIPMENT LTD.                             | 2,315.22   |
| LECUYER WELDING & MACHINE                        | 4,635.22   |
| LEISURE SPORT CENTRE                             | 4,650.99   |
| MCLEOD, IRVINE                                   | 2,567.50   |
| MCLEOD'S MAINTENANCE                             | 2,372.50   |
| MEADOW POWER & EQUIPMENT LTD.                    | 12,642.82  |
| METHY CONSTRUCTION & MAINTENANCE CORPORATION     | 20,597.50  |
| MINISTER OF FINANCE                              | 213,473.43 |
| MONES & ASSOCIATES                               | 29,964.00  |
| MONTREAL LAKE INDIAN BAND                        | 2,000.00   |
| NAGYL CONSTRUCTION SERVICES                      | 3,526.72   |
| NORTHWEST DIGITAL INC.                           | 19,333.05  |
| OFFICE DEPOT CANADA                              | 4,124.62   |
| P.R. SERVICE CO. LTD.                            | 2,121.58   |
| PETER BALLANTYNE CREE NATION                     | 3,150.00   |
| PETIT'S LUMBER & HARDWARE LTD.                   | 3,181.33   |
| PETIT, FRANK                                     | 9,259.06   |
| PIPPIN TECHNICAL SERVICE LTD.                    | 20,667.05  |
| POINTS NORTH FREIGHT                             | 3,882.27   |
| PRINCE ALBERT CO-OP ASSN. LTD.                   | 3,640.67   |
| SASKATCHEWAN ASSESSMENT MANAGEMENT AGENCY        | 35,015.75  |
| SASKATCHEWAN ASSOCIATION OF NORTHERN COMMUNITIES | 11,000.00  |
| SASKATCHEWAN ENVIRONMENT AND RESOURCE MANAGEMENT | 430,000.00 |
| SASKATCHEWAN GOVERNMENT INSURANCE                | 5,152.00   |
| SASKATCHEWAN WORKERS' COMPENSATION BOARD         | 3,676.15   |
| SASK. POWER                                      | 91,003.40  |
| SASK. TEL.                                       | 35,353.72  |
| SASKATOON BOILER MFG. CO. LTD.                   | 6,820.46   |
| SHELL CANADA PRODUCTS LIMITED                    | 116,932.50 |
| STANLEY MISSION INDOOR RINK                      | 50,000.00  |
| SUPREME OFFICE PRODUCTS LTD.                     | 2,604.85   |
| SYLVESTRE, JOHN                                  | 3,898.65   |
| T & P WOOD PROCESSORS                            | 19,260.00  |
| TAD RADIO OF CANADA INC.                         | 2,212.76   |
| THE NORTH WEST COMPANY INC.                      | 3,106.10   |
| TOULEJOUR, ARCHIE                                | 3,067.16   |
| TRI-CITY SURVEYS LTD.                            | 8,460.00   |
| TRUE VALUE                                       | 11,275.60  |
| URANIUM CITY BULK FUEL LTD.                      | 77,201.68  |
| URDEL LIMITED                                    | 24,186.59  |

|  |                   |
|--|-------------------|
| VAN WATERS & ROGERS LTD.                           | 12,794.62         |
| WADIN BAY CABIN OWNERS' ASSOCIATION                | 2,116.50          |
| WEYAKWIN LAKE COTTAGE OWNERS' ASSOCIATION          | 4,209.46          |
| WIC PREMIUM TELEVISION LTD.                        | 4,939.59          |
| WOLLASTON CO-OPERATIVE LIMITED                     | 2,086.37          |
| Payments of other expenses of less than \$2,000.00 | <u>182,482.79</u> |

2,182,979.70

## **MANAGEMENT'S REPORT**

The accompanying financial statements, and related financial information contained in this Annual Report, have been prepared by management, using accounting principles appropriate for the public sector. Management is responsible for the integrity, objectivity and reliability of the financial statements.

Management of the Northern Revenue Sharing Trust Account has established and maintains a system of internal controls, providing assurance that transactions are recorded and executed in compliance with legislation and authority, assets are safeguarded, there is an effective segregation of duties and responsibilities, and reliable records are maintained.

The Provincial Auditor has examined the Northern Revenue Sharing Trust Account's financial statements. The Auditor's Report to the Members of the Legislative Assembly of Saskatchewan expresses an independent opinion of fairness of presentation of the Northern Revenue Sharing Trust Account's financial statements in accordance with generally accepted accounting principles.



Gerald D. Stinson, Director  
Northern Municipal Services  
Community Support Services Branch  
Saskatchewan Municipal Affairs, Culture and Housing

**NORTHERN REVENUE SHARING TRUST ACCOUNT**  
**FINANCIAL STATEMENTS**

**For the Year Ended December 31, 1999**



## Provincial Auditor Saskatchewan

1500 Chateau Tower  
1920 Broad Street  
Regina, Saskatchewan  
S4P 3V7

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### AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Northern Revenue Sharing Trust Account as at December 31, 1999 and the statements of revenues, expenditures and net assets, and cash flows for the year then ended. The Northern Revenue Sharing Trust Account's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Northern Revenue Sharing Trust Account as at December 31, 1999 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

G. F. Wendel, CMA, CA  
Acting Provincial Auditor

Regina, Saskatchewan  
March 3, 2000

**Statement 1**

**NORTHERN REVENUE SHARING TRUST ACCOUNT  
STATEMENT OF FINANCIAL POSITION  
As at December 31**

|   | <u>1999</u>          | <u>1998</u>          |
|---|----------------------|----------------------|
| <b>Financial assets</b>                 |                      |                      |
| Cash and temporary investments          | \$ 19,644,847        | \$ 19,270,735        |
| Accounts receivable (Note 4)            | 775,014              | 1,602,524            |
| Inventory held for resale               | 420,395              | 426,274              |
| Prepaid expenditures                    | 115,763              | 110,326              |
| Land held for resale                    | 14,910               | 6,450                |
|   | <u>\$ 20,970,929</u> | <u>\$ 21,416,309</u> |
| <b>Liabilities</b>                      |                      |                      |
| Unearned revenue                        | \$ 1,594,580         | \$ 1,505,016         |
| Transfers payable                       | 1,443,987            | 1,510,369            |
| Accounts payable                        | 404,839              | 639,137              |
| Revenues collected for others           | 129,143              | 118,556              |
|   | <u>\$ 3,572,549</u>  | <u>\$ 3,773,078</u>  |
| <b>Net assets (Note 8)</b>              | <u>\$ 17,398,380</u> | <u>\$ 17,643,231</u> |
| <b>Tangible capital assets (Note 5)</b> |                      |                      |
| <b>Commitments (Note 6)</b>             |                      |                      |

(see accompanying notes to the financial statements)

Statement 2

**NORTHERN REVENUE SHARING TRUST ACCOUNT**  
**STATEMENT OF REVENUES, EXPENDITURES AND NET ASSETS**  
**For the Year Ended December 31**

|                                     | 1999                  | 1998                 |
|-------------------------------------|-----------------------|----------------------|
|                                     | Budget                | Actual               |
|                                     | (Note 7)              | Actual               |
| <b>Revenues:</b>                    |                       |                      |
| Transfers (Note 10)                 | \$ 6,021,829          | \$ 5,992,944         |
| Lease fees                          | 4,017,769             | 4,026,487            |
| Taxation                            | 960,658               | 945,475              |
| Interest                            | 743,541               | 924,598              |
| Land and capital asset sales        | 558,718               | 118,693              |
| Utility and fuel supply sales       | 581,720               | 646,811              |
| Other                               | 42,157                | 103,068              |
|                                     | <u>12,926,392</u>     | <u>12,758,076</u>    |
|                                     |                       | <u>14,569,380</u>    |
| <b>Expenditures: (Note 9)</b>       |                       |                      |
| <b>Transfers:</b>                   |                       |                      |
| Northern revenue sharing            | 5,149,741             | 5,176,501            |
| Water and sewer                     | 5,300,000             | 3,863,528            |
| Infrastructure                      | 191,200               | 157,897              |
| Northern capital                    | 1,153,855             | 1,481,719            |
| Tangible capital asset expenditures | 405,240               | 200,768              |
| <b>Municipal Services:</b>          |                       |                      |
| General government                  | 1,002,766             | 904,125              |
| Transportation services             | 276,370               | 186,232              |
| Utilities and fuel operating costs  | 607,800               | 684,558              |
| Community projects                  | 152,146               | 108,743              |
| Recreation and cultural             | 194,450               | 96,176               |
| Environmental                       | 152,911               | 113,506              |
| Protective services                 | 18,550                | 10,859               |
| Public health and welfare           | 28,044                | 697                  |
| Bad debt provision                  | 40,350                | 17,618               |
|                                     | <u>14,673,423</u>     | <u>13,002,927</u>    |
|                                     |                       | <u>10,296,385</u>    |
| (Deficit)/surplus for the year      | <u>\$ (1,747,031)</u> | (244,851)            |
| Net assets, beginning of year       |                       | 17,643,231           |
| Net assets, end of year             | <u>\$ 17,398,380</u>  | <u>\$ 17,643,231</u> |

(see accompanying notes to the financial statements)

Statement 3

NORTHERN REVENUE SHARING TRUST ACCOUNT  
STATEMENT OF CASH FLOWS  
Year Ended December 31

|  | 1999                 | 1998                 |
|--|----------------------|----------------------|
| Cash provided by (used in):                          |                      |                      |
| Operating Activities:                                |                      |                      |
| (Deficit)/surplus for the year                       | \$ (244,851)         | \$ 4,272,995         |
| Change in non-cash working capital:                  |                      |                      |
| Decrease (increase) in accounts receivable           | 827,510              | (452,342)            |
| Decrease (increase) in inventory                     | 5,879                | (426,274)            |
| (Increase) in prepaid expenditures                   | (5,437)              | (978)                |
| (Increase) in land held for resale                   | (8,460)              | (1,200)              |
| Increase in unearned revenue                         | 89,564               | 85,476               |
| (Decrease) increase in transfers payable             | (66,382)             | 165,905              |
| (Decrease) increase in accounts payable              | (234,298)            | 284,868              |
| Increase (decrease) in revenues collected for others | <u>10,587</u>        | <u>(11,408)</u>      |
| Cash provided by operating activities                | <u>374,112</u>       | <u>3,917,042</u>     |
| Cash and temporary investments, beginning of year    | <u>19,270,735</u>    | <u>15,353,693</u>    |
| Cash and temporary investments, end of year          | <u>\$ 19,644,847</u> | <u>\$ 19,270,735</u> |

(see accompanying notes to the financial statements)

**NORTHERN REVENUE SHARING TRUST ACCOUNT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999**

**1. Authority**

The Northern Revenue Sharing Trust Account (NRSTA) was established by section 287 of *The Northern Municipalities Act* (Act). NRSTA administers all revenues relating to the Northern Saskatchewan Administration District. This district is a geographic area in Northern Saskatchewan excluding towns, northern villages and northern hamlets. NRSTA also administers all monies appropriated by the Legislature for the purposes of issuing northern revenue sharing and northern capital transfers to northern municipalities.

**2. Significant Accounting Policies**

These financial statements are prepared using accounting principles appropriate for the public sector. The following policies are considered to be significant:

**a) Basis of Accounting**

The financial statements are prepared on the accrual basis of accounting.

**b) Tangible Capital Assets**

Tangible capital assets are recorded as an expenditure when acquired.

**c) Inventory Held for Resale**

Inventory held for resale is valued at the lower of average cost and net realizable value.

**d) Tax Enforcement Properties**

Properties acquired through the tax enforcement process are recorded at the lower of the outstanding taxes and the net realizable value.

**e) Revenues Collected for Others**

Pursuant to the Act, NRSTA collects taxes for northern hamlets and northern school divisions. Taxes levied on behalf of northern hamlets and northern school divisions are not considered revenue of NRSTA and are not reflected in the statement of revenues, expenditures and net assets. These taxes are remitted to the respective entities when received.

**f) Transfers**

Transfers are recognized as expenditures when grants and/or projects are approved and the recipient has met eligibility criteria.

g) **Unearned Revenue**

Unearned revenue is revenue that will be earned in a subsequent fiscal year and includes Crown lease fees.

**3. Financial Instruments**

NRSTA's financial instruments include cash, temporary investments, accounts receivable, prepaid expenditures, transfers payable, accounts payable and revenues collected for others. The fair value of these instruments approximate carrying value due to their immediate or short-term nature. The interest rates on the short-term deposits range from 3.50% to 5.25%.

**4. Accounts Receivable**

|  | <u>1999</u>       | <u>1998</u>         |
|--|-------------------|---------------------|
| Due from General Revenue Fund (Note 10)  | \$ 16,326         | \$ 832,223          |
| Accrued interest                         | 322,999           | 368,828             |
| Receivable from Federal Government (GST) | 77,112            | 47,303              |
| Crown lease fees                         | 16,312            | 103,795             |
| Taxes                                    | 23,783            | 26,048              |
| Other                                    | <u>318,482</u>    | <u>224,327</u>      |
|  | <u>\$ 775,014</u> | <u>\$ 1,602,524</u> |

**5. Tangible Capital Assets**

|                          | <u>Cost</u><br><u>1998</u> | <u>Additions</u>  | <u>Disposals</u> | <u>Cost</u><br><u>1999</u> |
|--------------------------|----------------------------|-------------------|------------------|----------------------------|
| Land                     | \$ 53,685                  | \$ 5,587          | \$ ---           | \$ 59,272                  |
| Buildings                | 3,743,381                  | 15,380            | ---              | 3,758,761                  |
| Equipment                | 4,133,205                  | 178,661           | 33,828           | 4,278,038                  |
| Water & sewer facilities | 1,961,879                  | 1,140             | ---              | 1,963,019                  |
|                          | <u>\$ 9,892,150</u>        | <u>\$ 200,768</u> | <u>\$ 33,828</u> | <u>\$ 10,059,090</u>       |

Reporting policies are currently being developed, and information being gathered on the useful lives of tangible capital assets. Accordingly, accumulated amortization and net book value of tangible capital assets are not reported in these financial statements.

**6. Commitments**

As at December 31, 1999, NRSTA is committed to funding northern capital and water and sewer projects. These commitments total \$5,663,992 (1998 - \$8,420,525).

**7. Budget**

The budget was approved by the Deputy Minister of Municipal Affairs, Culture and Housing.

## 8. Northern Settlements and Recreational Subdivisions

Included in the District are Northern Settlements and Recreational Subdivisions. Under the Act, revenues collected with respect to northern settlements and recreational subdivisions must be used for the benefit of the respective communities and are not available for general purposes. The Act specifies that revenues derived from the sale of Crown land within the boundaries of a northern settlement are to be expended on capital works in that northern settlement. The Act also specifies that the revenue derived from the sale of capital assets must be spent on capital works.

Following is additional information on revenues, expenditures and net assets of northern settlements, recreational subdivisions and capital works:

|                                       | 1999                 |                           |                   | 1998                |                     |
|---------------------------------------|----------------------|---------------------------|-------------------|---------------------|---------------------|
|                                       | Northern Settlements | Recreational Subdivisions | Capital Works     | Total               | Total               |
| <b>Revenues:</b>                      |                      |                           |                   |                     |                     |
| Transfers                             |                      |                           |                   |                     |                     |
| Northern revenue sharing              | \$ 786,356           | \$ ---                    | \$ ---            | \$ 786,356          | \$ 637,156          |
| Uranium City fuel supply              | ---                  | ---                       | ---               | ---                 | 1,500,000           |
| Northern capital                      | 99,498               | ---                       | ---               | 99,498              | 140,100             |
| Infrastructure                        | 47,907               | ---                       | ---               | 47,907              | 90,084              |
| Water and sewer                       | 1,140                | ---                       | ---               | 1,140               | 23,517              |
| Other                                 | 67,976               | ---                       | ---               | 67,977              | 44,801              |
| Utilities and fuel sales              | 646,811              | ---                       | ---               | 646,810             | 206,553             |
| Lease fees                            | 31,092               | ---                       | ---               | 31,092              | 24,757              |
| Taxation                              | 22,174               | 61,992                    | ---               | 84,166              | 89,242              |
| Interest                              | 79,236               | 18,525                    | ---               | 97,761              | 77,262              |
| Land and capital asset sales          | ---                  | ---                       | 32,960            | 32,960              | 5,782               |
| Other                                 | 88,096               | 1,430                     | ---               | 89,526              | 31,619              |
|                                       | <u>1,870,286</u>     | <u>81,947</u>             | <u>32,960</u>     | <u>1,985,193</u>    | <u>2,870,873</u>    |
| <b>Expenditures:</b>                  |                      |                           |                   |                     |                     |
| Capital asset expenditures            | 174,453              | 7,259                     | ---               | 181,712             | 1,152,569           |
| Municipal Services:                   |                      |                           |                   |                     |                     |
| General government                    | 172,431              | 6,400                     | ---               | 178,831             | 122,429             |
| Transportation                        | 155,317              | 30,916                    | ---               | 186,233             | 209,064             |
| Utility and fuel costs                | 684,558              | ---                       | ---               | 684,558             | 270,337             |
| Community projects                    | 108,743              | ---                       | ---               | 108,743             | 94,323              |
| Recreation and cultural               | 89,542               | 6,633                     | ---               | 96,175              | 98,563              |
| Environmental                         | 96,028               | 17,478                    | ---               | 113,506             | 119,964             |
| Protective services                   | 10,139               | 720                       | ---               | 10,859              | 4,790               |
| Public health and welfare             | 697                  | ---                       | ---               | 697                 | 2,841               |
| Bad debt provision                    | 10,547               | 1,722                     | ---               | 12,269              | 34,362              |
|                                       | <u>1,502,455</u>     | <u>71,128</u>             | <u>---</u>        | <u>1,573,583</u>    | <u>2,109,242</u>    |
| Surplus for the year                  | 367,831              | 10,819                    | 32,960            | 411,610             | 761,631             |
| Net assets, beginning of year         | 1,719,092            | 314,173                   | 158,940           | 2,192,205           | 1,456,442           |
| Transfers                             | ---                  | ---                       | ---               | ---                 | (25,868)            |
| Net assets, end of year               | <u>\$ 2,086,923</u>  | <u>\$ 324,992</u>         | <u>\$ 191,900</u> | <u>\$ 2,603,815</u> | <u>\$ 2,192,205</u> |
| <b>Net assets are represented by:</b> |                      |                           |                   |                     |                     |
| Cash and temporary investments        | \$ 1,581,000         | \$ 368,325                | \$ 191,900        | \$ 2,141,225        | \$ 1,800,991        |
| Inventory held for resale             | 420,395              | ---                       | ---               | 420,395             | 426,274             |
| Accounts receivable                   | 176,784              | 19,625                    | ---               | 196,409             | 327,535             |
| Accounts payable                      | (91,256)             | (62,958)                  | ---               | (154,214)           | (362,595)           |
| Net assets, end of year               | <u>\$ 2,086,923</u>  | <u>\$ 324,992</u>         | <u>\$ 191,900</u> | <u>\$ 2,603,815</u> | <u>\$ 2,192,205</u> |

## 9. Expenditures by Object

|                                     | 1999                 |                      | 1998                 |
|-------------------------------------|----------------------|----------------------|----------------------|
|                                     | Budget               | Actual               | Actual               |
| Transfers                           | \$ 11,794,796        | \$ 10,679,645        | \$ 7,479,594         |
| Operating costs                     | 1,542,466            | 1,537,516            | 1,097,441            |
| Tangible capital asset expenditures | 405,240              | 200,768              | 1,155,516            |
| Salaries and benefits               | 334,760              | 240,684              | 225,215              |
| Other                               | 596,161              | 344,314              | 338,619              |
|                                     | <b>\$ 14,673,423</b> | <b>\$ 13,002,927</b> | <b>\$ 10,296,385</b> |

## 10. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, departments, agencies, boards and commissions related to NRSTA by virtue of common control or significant influence by the Government of Saskatchewan (collectively referred to as "related parties").

Routine operating transactions with related parties are settled on normal trade terms. The following table summarizes the routine related party transactions for the year:

|                     | 1999      | 1998     |
|---------------------|-----------|----------|
| Revenues            | \$ 10,138 | \$ 6,598 |
| Expenditures        | 340,938   | 392,705  |
| Accounts receivable | 16,326    | 98,987   |
| Accounts payable    | 199,045   | 319,224  |

In addition, NRSTA pays Saskatchewan Education and Health tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

Other transactions with related parties and amounts due to or from them are described separately in these financial statements and notes.

NRSTA received the following transfers from related parties during the year:

|  | 1999                | 1998                |
|--|---------------------|---------------------|
| General Revenue Fund                                   |                     |                     |
| - Department of Municipal Affairs, Culture and Housing | \$ 5,933,908        | \$ 6,976,084        |
| - Department of Health                                 | 3,503               | 22,420              |
| New Careers  | 46,614              | 9,451               |
| Saskatchewan Lotteries                                 | 8,919               | 12,930              |
|  | <b>\$ 5,992,944</b> | <b>\$ 7,020,885</b> |

NRSTA administers the Department of Municipal Affairs, Culture and Housing's Infrastructure Works Program for Northern Municipalities. These monies received and disbursed for towns, northern villages and northern hamlets are not considered revenues or expenditures of NRSTA. During the year, NRSTA received \$884,360 (1998 - \$405,267), of which \$832,223 was recorded as receivable in 1998, from the General Revenue Fund and

disbursed \$52,137 (1998 - \$1,237,490) on behalf of towns, northern villages and northern hamlets.

The Department of Environment and Resource Management (DERM) is responsible for administering Crown land within the District. Therefore, Crown land is not reflected on the statement of financial position. However, in accordance with the Northern Crown Land Disposition Regulations and the Act, NRSTA is entitled to receive all proceeds from Crown land sales and leases within the District. During the year, DERM charged NRSTA \$430,000 (1998 - \$430,000) for administration of Crown lease fees and Crown land sales.

An annual administration charge of \$200,000 has been established by the Department of Municipal Affairs, Culture and Housing to offset its expenses for administering NRSTA. At December 31, 1999, \$150,000 (1998 - \$150,000) remains unpaid and has been recorded as an accounts payable on the statement of financial position.

#### **11. Uncertainty due to the Year 2000 Issue**

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than that date. Although the change in date has occurred, it is not possible to conclude that all aspects of the Year 2000 Issue that may affect the entity, including those related to customers, suppliers, or other third parties, have been fully resolved.